



Cost and Software Data Reporting Training

Validation (of Cost Reports) Module

Schedule

DAY 1	DAY 2	DAY 3
0800 Class Orientation	0800 Contract Planning	0900 Question /
0830 Background / Familiarization Module	0915 SRDR Planning (Part 1)	Answer Session
0945 Break	1015 Break	930 Validation (Part 1)
1000 WBS Module	1030 SRDR Planning (Part 2)	1015 Break
1130 Lunch	1130 Lunch	1030 Validation (Part 2)
1230 RAM Module	1230 Contracting	1130 Lunch
1330 Evolutionary Acquisition	1330 Cost Reporting (Part 1)	1230 SRDR Reporting
1430 Break	1500 Break	1400 Break
1445 Program Planning Module	1515 Cost Reporting (Part 2)	1415 Final Exam
		1615 Wrap-Up

Lesson Assignment Sheet

- Objectives:
 - For students to learn the purpose of CSDR cost report validation, and understand how the results lead to rejection or acceptance of submittals
 - To review the common errors made as observed by DCARC, and learn how to avoid/correct these mistakes
 - To learn how to validate all types of CSDR cost reports (DD 1921 series), and perform the validation of a sample submittal reflecting errors in modified cost reports based on the previous module
- Desired Learning Outcomes:
 - Understand the purpose of CSDR cost report validation
 - Be familiar with common cost reporting errors and how to avoid them
 - Be able to validate CSDR cost reports
- Assignment:
 - EXERCISE 11-1. Cost Report Validation
- Reference Material:
 - CSDR Reference Book
 - DoD 5000.4-M-1, Cost and Software Data Reporting (CSDR) Manual, February 2004
 - Data Item Description – DD Form 1921, October, 2003 (DI-FNCL-81565A)
 - Data Item Description – DD Form 1921-1, October, 2003 (DI-FNCL-81566A)

CSDR Cost Report Validation

Purpose

- Ensure cost reports are compiled correctly and present all required information and data.
 - Comparable (i.e., across programs)
 - Meaningful (i.e., level of detail that provides insight)
 - Transparent (i.e., well defined)
 - Accurate
 - Auditable

Process

Cost reports are checked for consistency, completeness, and numerical accuracy
 - *DCARC does not check validity of data in accounting system*

US Defense Contractor
 (Prime or Subcontractor)

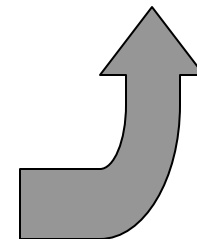
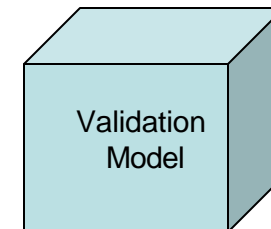


Submittal to OSD DCARC

Approved Plan Consistency	Numerical Accuracy	Meta Data Complete	
X	X	X	DD 1921
X	X	X	DD 1921-1 (Front)
X	X	X	DD 1921-1 (Back)



- PM cost analyst
- DCARC analyst
- Service Cost Center analyst



• DD 1921, DD 1921-1 (Front), and DD 1921-1 (Back)

6/2/2006

Module 11: Validation

Report Submissions

- All submissions in Microsoft Excel
- Single file for 1921 *typical*
- Single file for 1921-1 *typical*
 - 1921-1 (Front) use three tabs for each reporting element
 - Total, Recurring, and Nonrecurring
 - 1921-1 (Back) use one tab for each reporting element
- *May have multiple 1921 & 1921-1 file submissions if program has multi-variants of system*

Attributes of Successful Submissions

- All Meta Data complete
- In accordance with Approved CSDR Contract Plan
 - Reporting Elements
 - Report types
 - Submitted on time
- Complete data entry per Data Item Description Documents (DIDs)
- Use Remarks section to provide additional information useful to amplify the data

When in doubt, refer to 5000.4M-1, Data Item Description, or call DCARC (703-601-4850)

CCDR Acceptance/Rejection

ACCEPTING CCDRS

- DCARC prepares an acceptance memo and sends it to the program office and copy to contractor
- Soon after the analysts accept the reports, the CCDRs are loaded into the DACIMS database

REJECTING CCDRS

- DCARC prepares a validation error report and sends it to the program office and copy to contractor
- Program office engages contractor to correct report

Typical Errors that result in Rejection

- Approved Plan Consistency
 - WBS elements reported \neq Approved CSDR Plan
 - Not provide all reports
- Numerical Accuracy
 - Parent cost \neq sum of children cost
 - DD 1921 data \neq DD1921-1
- Format
 - Use of non-standard reporting formats
 - Functional categories unique to contractor's accounting system
 - Missing or inaccurate meta-data
- Completeness
 - Quantities not reported
 - WBS elements/codes not reported
 - Functional categories not reported
 - ODC/Other costs not shown separately without remarks

Consequences of Rejected Reports

- More work by government and contractor
 - Rework by contractor report team
 - Delayed cost data availability for government analysis
 - *May precipitate special data collection efforts by government analysts to obtain required data*
 - *Delayed milestone reviews and contract awards*
 - Contractor may be subject to a DCAA Audit
 - Reference DCAA Audit Manual, Chapter 11-400 and the DCAA Audit Guidance for CCDR
- Incorrect or incomplete cost reports subject to interpretation and assumptions
 - May lead to improper use and erroneous cost estimating
 - Bad budget development placing program and service at disadvantage
 - *Over-estimated program budget reduces funds available to other service programs*
 - *Under-estimated program budget negatively impacts executability*
- May impact PM's DAES rating on cost
 - Continued failure leads to penalties to government PMs, contracts, and programs

Example 5 - CCDR Validation

- Background:
 - We have received Contractor Cost Data Reports from the *Integrated Airborne Electronic Warfare Sensor Suite (IAEWSS)* Prime Contractor, Northrop Grumman.
- Problem:
 - We need to review cost reports for consistency, numerical accuracy, and completeness
 - Consider the data user and utility
- Tools:
 - DD Form 2794 Contract & Subcontract Cost Plans
 - DD Form 1921 Cost Summary Data Report submission
 - DD Form 1921-1 (Front) Functional Cost Hour data
 - DD Form 1921-1 (Back) Progress Curve data

COST DATA SUMMARY REPORT		3. TYPE ACTION		4. APPROPRIATION		5. REPORT AS OF (MM/DD/YY)	
1a. PROGRAM: Integrated Airborne Electronic Warfare Sensor Suite (IAEWSS)		X CONTRACT NO: F04701-04-C-3339		X RDT&E		October 2, 2008	
1b. APPROVED PLAN NUMBER: F04701-04-C-3339		LATEST AMENDMENT:		PROCUREMENT		7. FY FUNDED:	
8. CONTRACT TYPE: CPAF		10. DOLLARS IN: US Currency		RFP NO:		YES	
9. CONTRACT PRICE ESTIMATE: \$0		11. CONTRACTOR TYPE: PRIME/ASSOCIATE		PROGRAM ESTIMATE		X NO	
12. NAME OF CUSTOMER: Northrop Grumman Linthicum, MD 21090		11b. NAME/ADDRESS (Include ZIP Code)		12. NAME OF CUSTOMER: Subcontractor (Include ZIP Code)			
CONTRACT LINE ITEM A	REPORTING ELEMENTS B	WBS ELEMENT CODE C	NUMBER OF UNITS D	TO DATE	NUMBER OF UNITS H	AT COMPLETION	
						NONRECURRING	RECURRING
				TOTAL G			TOTAL K
1.0	Integrated Airborne Electronic Warfare Sensor Suite (IAEWSS)			\$286,093.3			112,423.1
				\$196,747.1			276,653.8
				\$78,339.8			\$96,769.2
				\$7,870.5			\$8,461.5
				\$3,490.8			\$6,000.0
				\$9,250.9			\$13,076.9
				\$1,133.0		\$1,153.8	\$769.2
				\$10,263.5		\$7,692.3	\$5,384.6
				\$2,206.8		\$1,538.5	\$1,538.5
				\$3,524.8		\$3,076.9	\$1,923.1
				\$14,496.9		\$11,153.8	\$6,538.5
				\$5,487.5		\$3,461.5	\$3,076.9
				\$4,526.9		\$3,076.9	\$2,307.7
				\$2,307.7		\$3,076.9	\$1,923.1
				\$5,408.7		\$6,923.1	\$4,615.4
				\$53,750.0		\$86,000.0	\$55,500.0
				\$6,769.2		\$8,461.5	\$0.0
				\$5,538.5		\$6,923.1	\$0.0
				\$8,750.0		\$12,500.0	\$10,500.0
				\$4,846.2		\$6,923.1	\$0.0
				\$44,423.1		\$59,230.8	\$14,615.4
				\$13,326.9		\$17,769.2	\$4,384.6
				\$26,653.8		\$35,538.5	\$8,769.2
				\$4,442.3		\$5,923.1	\$1,461.5
				\$5,465.4			\$7,384.6

★ **Incorrect Approved Plan Number**

- Appears that contractor entered it's own entry. Contract Plan number is designated by DCARC office and it directly relates to approved contract plan.
- This information is necessary to enable comparison of plan to submission and ensure consistency.

★ **Data field should specify units, e.g., thousands of dollars**

FY Funded data field left blank

POINT OF CONTACT (POC) INFORMATION			
14b. DEPARTMENT Government Sensor Programs		14c. TELEPHONE NO. (Include Area Code) (410) 555-1234	
14e. FAX NO. (Include Area Code) (410) 555-4321		14f. SIGNATURE J.J. Price	
		14g. DATE SIGNED (MM/DD/YY) December 1, 2008	

DD FORM 1921, OCT 2003

Public reporting burden for this collection of information is estimated to average 33 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington Headquarters Services, Directorate for Information Operations and reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0188), Washington, D.C. 20503.

SECURITY CLASSIFICATION

6/2/2006

Module 11: Validation

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5-3

Contract Line Item left blank

COST DATA SUMMARY REPORT				3. TYPE ACTION			4. APPROPRIATION		5. REPORT AS OF (MM/DD/YY)	
1a. PROGRAM: Integrated Airborne Electronic Warfare Sensor Suite (IAEWSS)				X CONTRACT NO: F04701-04-C-3339			X RDT&E		October 2, 2008	
1b. APPROVED PLAN NUMBER: F04701-04-C-3339				LATEST AMENDMENT:			X PROCUREMENT			
2. DOLLARS IN: US Currency				RFP NO:			6. MULTI-YEAR CONTRACT		7. FY FUNDED:	
8. CONTRACT TYPE:				PROGRAM ESTIMATE			YES			
9. CONTRACT PRICE ESTIMATE				11a. CONTRACTOR TYPE			X NO			
10. CONTRACT CEILING				X PRIME/ASSOCIATE			11b. NAME/ADDRESS (Include ZIP Code)		12. NAME OF CUSTOMER: (Subcontractor Use Only)	
				SUBCONTRACTOR			Northrop Grumman			
				Linthicum, MD 21090						
CONTRACT LINE ITEM A	REPORTING ELEMENTS B	WBS ELEMENT CODE C	NUMBER OF UNITS D	TO DATE			NUMBER OF UNITS H	AT COMPLETION		
				NONRECURRING E	RECURRING F	TOTAL G		NONRECURRING I	RECURRING J	TOTAL K
CPAF	1.0 Integrated Airborne Electronic Warfare Sensor Suite (IAEWSS)		2	\$195,855.8	\$90,237.5	\$286,093.3	4	\$281,500.0	\$130,923.1	\$412,423.1
	1.1 Prime Mission Product (PMP)			\$122,028.8	\$74,718.3	\$196,747.1		\$171,884.6	\$104,769.2	\$276,653.8
	1.1.1 EO/IR Subsystem			\$47,221.2	\$31,118.7	\$78,339.8		\$58,000.0	\$38,769.2	\$96,769.2
	1.1.1.1 OPTICS								\$3,076.9	\$8,461.5
	1.1.1.2 CCD/TV CAMERA								\$3,000.0	\$6,000.0
	1.1.1.3 DIGITAL RECORDING DEVICE								\$4,615.4	\$13,076.9
	1.1.1.4 FOCAL PLANE ARRAY								\$769.2	\$1,923.1
	1.1.1.5 ANALOG ELECTRONICS								\$5,384.6	\$13,076.9
	1.1.1.6 DIGITAL ELECTRONICS								\$1,538.5	\$3,076.9
	1.1.1.7 CRYOGENICS								\$1,923.1	\$5,000.0
	1.1.1.8 GIMBAL								\$6,538.5	\$17,692.3
	1.1.1.9 POWER SUPPLY								\$3,076.9	\$6,538.5
	1.1.1.10 CONTROLS & DISPLAYS								\$2,307.7	\$5,384.6
	1.1.1.11 HOUSING								\$1,923.1	\$5,000.0
	1.1.1.12 INTEGRATION, ASSEMBLY, & CHECKOUT								\$4,615.4	\$11,538.5
	1.1.2 Synthetic Aperture Radar (SAR)								\$55,500.0	\$141,500.0
	1.1.3 PMP Applications Software								\$0.0	\$8,461.5
	1.1.4 PMP System Software								\$0.0	\$6,923.1
	1.1.5 Integration, Assembly, Test and Checkout								\$10,500.0	\$23,000.0
	1.2 Platform Integration								\$0.0	\$6,923.1
1.3 Systems Engineering/Program Management								\$14,615.4	\$73,846.2	
1.3.1 Systems Engineering								\$4,384.6	\$22,153.8	
1.3.2 Program Management								\$8,769.2	\$44,307.7	
1.3.3 Integrated Logistics Support								\$1,461.5	\$7,384.6	

WBS Element Code left blank

Reporting Elements incorrectly include the WBS element code. This error will impact automated checking of reporting elements and return errors

★ Reporting Elements not in accordance with Approved Contract Plan

★ Subordinate cost elements as indicated on the Contract Plan have been omitted, leaving only the parent cost element on the cost report.

Public reporting burden for this collection of information is estimated to average 33 hours per response, including the time for reviewing existing data sources, gathering existing data, reviewing this burden estimate, completing a review of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget (Paperwork Project (0704-0188), Washington, D.C. 20503).

6/2/2006

SECURITY CLASSIFICATION 13

Incorrect Contract Type code.
Should enter EDI Code.

- Electronic Data Interchange per FAR

Form Approved
OMB No.
0704-0188

1b. APPROVED PLAN NUMBER: F04701-04-C-3339		2. DOLLARS IN US Currency		3. TYPE ACTION <input checked="" type="checkbox"/> CONTRACT NO: F04701-04-C-3339 LATEST AMENDMENT: RFP NO: PROGRAM ESTIMATE			4. APPROPRIATION <input checked="" type="checkbox"/> RDT&E <input type="checkbox"/> PROCUREMENT		5. REPORT AS OF (MM/DD/YY) October 2, 2008				
1c. CONTRACT TYPE CPAF		9. CONTRACT PRICE ESTIMATE		10. CONTRACT CEILING		11. CONTRACTOR TYPE <input checked="" type="checkbox"/> PRIME/ASSOCIATE <input type="checkbox"/> SUBCONTRACTOR		11b. NAME/ADDRESS (Include ZIP Code, Northrop Grumman Linthicum, MD 21090		12. NAME OF CUSTOMER: (Subcontractor Use Only)			
CONTRACT LINE ITEM A		REPORTING ELEMENTS B		WBS ELEMENT CODE C		NUMBER OF UNITS D		COSTS INCURRED NONRECURRING E RECURRING F TOTAL G		NUMBER OF UNITS H		COSTS INCURRED NONRECURRING I RECURRING J TOTAL K	
1.0 Integrated Airborne Electronic Warfare Sensor Suite (IAEWSS)						2		\$195,855.8 \$90,237.5 \$286,093.3		4		\$281,500.0 \$130,923.1 \$412,423.1	
1.1 Prime Mission Product (PMP)								\$122,028.8 \$74,718.3 \$196,747.1				\$171,884.6 \$104,769.2 \$276,653.8	
1.1.1 EO/IR Subsystem								\$47,221.2 \$31,118.7 \$78,339.9				\$58,000.0 \$38,769.2 \$96,769.2	
1.1.1.1 OPTICS								\$5,923.1 \$1,947.4 \$7,870.5				\$5,384.6 \$3,076.9 \$8,461.5	
1.1.1.2 CCD/TV CAMERA								\$1,875.0 \$1,615.8 \$3,490.8				\$3,000.0 \$3,000.0 \$6,000.0	
1.1.1.3 DIGITAL RECORDING DEVICE								\$6,346.2 \$2,904.7 \$9,250.9				\$8,461.5 \$4,615.4 \$13,076.9	
1.1.1.4 FOCAL PLANE ARRAY								\$721.2 \$411.8 \$1,133.0				\$1,153.8 \$769.2 \$1,923.1	
1.1.1.5 ANALOG ELECTRONICS								\$6,490.4 \$3,773.2 \$10,263.6				\$7,692.3 \$5,384.6 \$13,076.9	
1.1.1.6 DIGITAL ELECTRONICS								\$1,201.9 \$1,004.8 \$2,206.7				\$1,538.5 \$1,538.5 \$3,076.9	
1.1.1.7 CRYOGENICS								\$2,307.7 \$1,217.1 \$3,524.8				\$3,076.9 \$1,923.1 \$5,000.0	
1.1.1.8 GIMBAL								\$9,759.6 \$4,737.2 \$14,496.8				\$11,153.8 \$6,538.5 \$17,692.3	
1.1.1.9 POWER SUPPLY								\$2,379.8 \$3,107.7 \$5,487.5				\$3,461.5 \$3,076.9 \$6,538.5	
1.1.1.10 CONTROLS & DISPLAYS								\$2,500.0 \$4,526.9 \$7,026.9				\$3,076.9 \$2,307.7 \$5,384.6	
1.1.1.11 HOUSING								\$2,307.7 \$2,857.4 \$5,165.1				\$3,076.9 \$1,923.1 \$5,000.0	
1.1.1.12 INTEGRATION, ASSEMBLY, & CHECKOUT								\$5,408.7 \$3,014.5 \$8,423.2				\$6,923.1 \$4,615.4 \$11,538.5	
1.1.2 Synthetic Aperture Radar (SAR)								\$53,750.0 \$36,249.6 \$89,999.6				\$86,000.0 \$55,500.0 \$141,500.0	
1.1.3 PMP Applications Software								\$6,769.2 \$0.0 \$6,769.2				\$8,461.5 \$0.0 \$8,461.5	
1.1.4 PMP System Software								\$5,538.5 \$0.0 \$5,538.5				\$6,923.1 \$0.0 \$6,923.1	
1.1.5 Integration, Assembly, Test and Checkout								\$8,750.0 \$7,350.0 \$16,100.0				\$12,500.0 \$10,500.0 \$23,000.0	
1.2 Platform Integration								\$4,846.2 \$0.0 \$4,846.2				\$6,923.1 \$0.0 \$6,923.1	
1.3 Systems Engineering/Program Management								\$44,423.1 \$10,230.6 \$54,653.7				\$59,230.8 \$14,615.4 \$73,846.2	
1.3.1 Systems Engineering								\$13,326.9 \$3,069.2 \$16,396.1				\$17,769.2 \$4,384.6 \$22,153.8	
1.3.2 Program Management								\$26,653.8 \$6,138.5 \$32,792.3				\$35,538.5 \$8,769.2 \$44,307.7	
1.3.3 Integrated Logistics Support								\$4,442.3 \$1,023.1 \$5,465.4				\$5,923.1 \$1,461.5 \$7,384.6	
13. REMARKS:													
14a. NAME (Last, First, Middle Initial) J.J. Price													
14d. E-MAIL ADDRESS jprice@NGGSP.com													
14g. DATE SIGNED (MM/DD/YY) December 1, 2008													

★ Quantity data entered for only system line.

- The cost analyst is left to make an assumption about the number of units for subordinate hardware elements. This assumption impacts unit cost calculations, learning curve calculations, among others.

Public reporting burden for this collection of information is estimated to average 33 hours per response, including the burden for reviewing this collection of information, including suggestions for reducing this burden. Send comments to Washington, D.C. 20503.

SECURITY CLASSIFICATION

★ Logic error in reporting **Costs Incurred To Date** as being greater than **Costs Incurred At Completion**

- \$ 5,923.1 to date
- \$ 5,384.6 at completion

Form Approved
OMB No.
0704-0188

F04701-04-C-3339

4. APPROPRIATION
☒ RDT&E
PROCUREMENT

5. REPORT AS OF (MM/DD/YY)
October 2, 2008

6. MULTI-YEAR CONTRACT
YES
☒ NO

7. FY FUNDED:

11b. NAME/ADDRESS (Include ZIP Code)
Northrop Grumman
Linthicum, MD 21090

12. NAME OF CUSTOMER: (Subcontractor Use Only)

DATE

LINE ITEM A	REPORTING ELEMENTS B	ELEMENT CODE C	OF UNITS D	COSTS INCURRED			NUMBER OF UNITS H	COSTS INCURRED		
				NONRECURRING E	RECURRING F	TOTAL G		NONRECURRING I	RECURRING J	TOTAL K
1.0	Integrated Airborne Electronic Warfare Sensor Suite (IAEWSS)		2	\$195,855.8	\$90,237.5	\$286,093.3	4	\$281,500.0	\$130,923.1	\$412,423.1
1.1	Prime Mission Product (PMP)			\$122,028.8	\$74,718.3	\$196,747.1		\$171,884.6	\$104,769.2	\$276,653.8
1.1.1	EO/IR Subsystem			\$47,221.2	\$31,118.7	\$78,339.8		\$58,000.0	\$38,769.2	\$96,769.2
1.1.1.1	OPTICS			\$5,923.1	\$1,947.4	\$7,870.5		\$5,384.6	\$3,076.9	\$8,461.5
1.1.1.2	CCD/TV CAMERA			\$1,875.0	\$1,615.8	\$3,490.8		\$3,000.0	\$3,000.0	\$6,000.0
1.1.1.3	DIGITAL RECORDING DEVICE			\$6,346.2	\$2,904.7	\$9,250.9		\$8,461.5	\$4,615.4	\$13,076.9
1.1.1.4	FOCAL PLANE ARRAY			\$721.2	\$411.8	\$1,133.0		\$1,153.8	\$769.2	\$1,923.1
1.1.1.5	ANALOG ELECTRONICS			\$6,490.4	\$3,773.2	\$10,263.5		\$7,692.3	\$5,384.6	\$13,076.9
1.1.1.6	DIGITAL ELECTRONICS			\$1,201.9	\$1,004.8	\$2,206.8		\$1,538.5	\$1,538.5	\$3,076.9
1.1.1.7	CRYOGENICS								\$1,923.1	\$5,000.0
1.1.1.8	GIMBAL								\$6,538.5	\$17,692.3
1.1.1.9	POWER SUPPLY								\$3,076.9	\$6,538.5
1.1.1.10	CONTROLS & DISPLAYS								\$2,307.7	\$5,384.6
1.1.1.11	HOUSING								\$1,923.1	\$5,000.0
1.1.1.12	INTEGRATION, ASSEMBLY, & CHECKOUT								\$4,615.4	\$11,538.5
1.1.2	Synthetic Aperture Radar (SAR)								\$55,500.0	\$141,500.0
1.1.3	PMP Applications Software			\$0,703.2	\$0.0	\$0,703.2		\$0,703.2	\$0.0	\$8,461.5
1.1.4	PMP System Software			\$5,538.5	\$0.0	\$5,538.5		\$6,923.1	\$0.0	\$6,923.1
1.1.5	Integration, Assembly, Test and Checkout			\$8,750.0	\$7,350.0	\$16,100.0		\$12,500.0	\$10,500.0	\$23,000.0
1.2	Platform Integration			\$4,846.2	\$0.0	\$4,846.2		\$6,923.1	\$0.0	\$6,923.1
1.3	Systems Engineering/Program Management			\$44,423.1	\$10,230.8	\$54,653.8		\$59,230.8	\$14,615.4	\$73,846.2
1.3.1	Systems Engineering			\$13,326.9	\$3,069.2	\$16,396.2		\$17,769.2	\$4,384.6	\$22,153.8
1.3.2	Program Management			\$26,653.8	\$6,138.5	\$32,792.3		\$35,538.5	\$8,769.2	\$44,307.7
1.3.3	Integrated Logistics Support			\$4,442.3	\$1,023.1	\$5,465.4		\$5,923.1	\$1,461.5	\$7,384.6

13. REMARKS:

POINT OF CONTACT (POC) INFORMATION

14a. NAME (Last, First, Middle Initial)
J.J. Price

14b. DEPARTMENT
Government Sensor Programs

14c. TELEPHONE NO. (Include Area Code)
(410) 555-1234

14d. E-MAIL ADDRESS
jprice@NGGSP.com

14e. FAX NO. (Include Area Code)
(410) 555-4321

14f. SIGNATURE
J.J. Price

14g. DATE SIGNED (MM/DD/YY)
December 1, 2008

DD FORM 1921, OCT 2003

★ Errors in reported costs often have a cascading effect as these incorrect costs are rolled up to subtotals and totals

6/2/2006

Module 11: Validation

SECURITY CLASSIFICATION 15

5-6

COST DATA SUMMARY REPORT						3. TYPE ACTION <input checked="" type="checkbox"/> CONTRACT NO: F04701-04-C-3339 LATEST AMENDMENT:		4. APPROPRIATION <input checked="" type="checkbox"/> RDT&E PROCUREMENT		5. REPORT AS OF (MM/DD/YY) October 2, 2008	
1a. PROGRAM: Integrated Airborne Electronic Warfare Sensor Suite (IAEWSS)			2. DOLLARS IN US Currency		<input type="checkbox"/> RFP NO: <input type="checkbox"/> PROGRAM ESTIMATE		<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		7. FY FUNDED:		
1b. APPROVED PLAN NUMBER: F04701-04-C-3339			10. CONTRACT CEILING		11a. CONTRACTOR TYPE <input checked="" type="checkbox"/> PRIME/ASSOCIATE <input type="checkbox"/> SUBCONTRACTOR		11b. NAME/ADDRESS (Include ZIP Code, Northrop Grumman		12. NAME OF CUSTOMER: (Subcontractor Use Only)		
8. CONTRACT TYPE CPAF			9. CONTRACT PRICE ESTIMATE								
CONTRACT LINE ITEM A	REPORTING ELEMENTS B	WBS ELEMENT CODE C	AT COMPLETION								
			NUMBER OF UNITS H	COSTS INCURRED			TOTAL K				
	NONRECURRING I	RECURRING J									
	SUBCONTRACTOR DIRECT COST SUBCONTRACTOR OVERHEAD COST TOTAL SUBCONTRACTOR COST (LESS SUBCONTRACTOR PROFIT OR FEE) SUBCONTRACTOR PROFIT OR FEE SUBCONTRACTOR PRICE										
	REPORTING CONTRACTOR DIRECT COST REPORTING CONTRACTOR OVERHEAD COST TOTAL REPORTING CONTRACTOR COST (LESS SUBCONTRACTOR PROFIT OR FEE) REPORTING CONTRACTOR PROFIT OR FEE REPORTING CONTRACTOR PRICE										
13. REMARKS:											
POINT OF CONTACT (For all correspondence)											
14a. NAME (Last, First, Middle Initial) J.J. Price						14b. DEPARTMENT Government Sensor Programs			14c. TELEPHONE NO. (Include Area Code) (410) 555-1234		
14d. E-MAIL ADDRESS jjprice@NGGSP.com						14e. FAX NO. (Include Area Code) (410) 555-4321			14f. SIGNATURE J.J. Price		
									14g. DATE SIGNED (MM/DD/YY) December 1, 2008		

Frequent DD Form 1921 Errors

Summary

- ★ 1. Incorrect Plan Number
- ★ 2. Reporting Element names must correspond to the CSDR Plan.
- ★ 3. Data field should specify units, e.g., thousands of dollars
- 4. Blank FY Funded data field
- 5. Blank Contract Line Item
- 6. Reporting Elements incorrectly include the WBS Element Code, and WBS Element Code column left blank
- ★ 7. Subordinate cost elements omitted
- 8. Contract Type data field via acronym or abbreviation rather than EDI code
- ★ 9. Incomplete data entry for Number of Units
- ★ 10. Quantities reported on DD Form 1921 are not consistent with quantities reported on DD Form 1921-1.
- 11. Blank Security Classification
- ★ 12. Logic error in finding costs incurred to date are greater than costs estimated at completion
 - The contractor reported total cost to date and cost at completion incorrectly.
- ★ 13. Cascading errors in parent-child cost-relationship
- ★ 14. Nonstandard summary reporting elements used
- ★ 15. Actual costs incurred to date and/or at completion not separated into recurring, nonrecurring, and total costs

DD 1921-1 (Front) Functional Cost Hour Report

- Prime Contractor
 - Focal Plane Array used as one example reporting element

SECURITY CLASSIFICATION				FUNCTIONAL COST-HOUR AND PROGRESS CURVE REPORT				Form Approved OMB No. 0704-0188	
<small>The public reporting burden for this collection of information is estimated to average 45 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions reducing the burden to Department of Defense, Washington Headquarters Service, Directorate for Information Operations and Reports (0704-0188), 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number. PLEASE DO NOT RETURN YOUR FORM TO THIS ADDRESS</small>									
1a. PROGRAM Integrated Airborne Electronic Warfare Sensor Suite (IAEWSS)				1b. APPROVED PLAN NUMBER AF-05-E-C1		2. REPORT AS OF (MMDDYY) October 2, 2008		3. FY FUNDED	
4a. CONTRACTOR TYPE <input checked="" type="checkbox"/> PRIME/ASSOCIATE <input type="checkbox"/> SUBCONTRACTOR <input type="checkbox"/> SUBCONTRACT (Estimate by Reporting Contractor)				5. DOLLARS IN		6. HOURS IN			
4b. NAME/ADDRESS (Include ZIP Code) Northrop Grumman Linthicum, MD 21090				7a. CUSTOMER (Subcontractors Use Only)		7b. SUBCONTRACTOR (Estimated by Reporting Contractor)		8. SUBCONTRACT NO.	
9. NUMBER OF REPORTING SUBCONTRACTORS 2				10. TYPE ACTION <input checked="" type="checkbox"/> CONTRACT NO. F04701-04-C-3339 LATEST AMENDMENT					
11. MULTI-YEAR CONTRACT <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO				<input type="checkbox"/> RFP NO.					
12. WBS ELEMENT CODE				<input type="checkbox"/> PROGRAM ESTIMATE					
13. REPORTING ELEMENT NG FPA HW				PART I. FUNCTIONAL COST-HOUR REPORT					
				14. COST TYPE <input type="checkbox"/> RECURRING <input type="checkbox"/> NONRECURRING <input type="checkbox"/> TOTAL		15. QUANTITY TO DATE AT COMPLETION		16. APPROPRIATION <input type="checkbox"/> RDT&E <input checked="" type="checkbox"/> PROCUREMENT	
				REPORTING CONTRACTOR		SUBCONTRACT OR OUTSIDE PRODUCTION AND SERVICES		TOTAL	
DATA ELEMENTS				TO DATE A		AT COMPLETION B		TO DATE C	
								AT COMPLETION D	
								TO DATE E	
								AT COMPLETION F	
ENGINEERING				3.9		6.3		3.9	
1. DIRECT LABOR HOURS								6.3	
2. DIRECT LABOR DOLLARS				\$136.5		\$221.1		\$136.5	
3. OVERHEAD				\$177.4		\$287.4		\$177.4	
4. MATERIAL				\$62.8		\$101.7		\$62.8	
5. OTHER DIRECT CHARGES (Specify)				\$7.5		\$12.2		\$7.5	
6. TOTAL ENGINEERING DOLLARS				\$384.2		\$622.4		\$384.2	
TOOLING									
7. DIRECT LABOR HOURS									
8. DIRECT LABOR DOLLARS									
9. OVERHEAD									
10. MATERIAL AND PURCHASED TOOLS									
11. OTHER DIRECT CHARGES (Specify)									
12. TOTAL TOOLING DOLLARS									
MANAGEMENT									
13. DIRECT LABOR HOURS									
14. DIRECT LABOR DOLLARS				\$53.5		\$48.7		\$53.5	
15. OVERHEAD				\$69.6		\$63.3		\$69.6	
16. OTHER DIRECT CHARGES (Specify)				\$1.3		\$2.2		\$1.3	
17. TOTAL QUALITY CONTROL DOLLARS				\$124.4		\$114.2		\$124.4	
MANUFACTURING/QUALITY CONTROL									
18. DIRECT LABOR HOURS				4.1		7.4		4.1	
19. DIRECT LABOR DOLLARS				\$82.8		\$147.6		\$82.8	
20. OVERHEAD				\$132.5		\$236.1		\$132.5	
21. MATERIALS AND PURCHASED PARTS				\$38.8		\$69.1		\$190.0	
22. OTHER DIRECT CHARGES (Specify)				\$4.3		\$7.7		\$4.3	
23. TOTAL MANUFACTURING DOLLARS				\$258		\$460		\$410	
OTHER COSTS									
24. PURCHASED EQUIPMENT				\$42.5		\$73.8		\$42.5	
25. MATERIAL OVERHEAD				\$17.7		\$30.8		\$17.7	
26. OTHER COSTS NOT SHOWN ELSEWHERE (Specify)				\$0.0		\$0.0		\$0.0	
SUMMARY									
27. TOTAL COST (Direct and Overhead)				\$827.2		\$1,301.6		\$151.2	
								\$281.9	
								\$978.5	
								\$1,583.5	
28. REMARKS									
POINT OF CONTACT (POC) INFORMATION									
29a. NAME (Last, First, Middle Initial) J.J. Price				29b. DEPARTMENT Department Procurement Programs				29c. TELEPHONE NO. (Include Area Code) (410) 555-1234	
29d. E-MAIL ADDRESS jprice@NGGSP.com				29e. FAX NO. (Include Area Code) (410) 555-4321				29f. SIGNATURE J.J. Price	
								29g. DATE SIGNED (MMDDYY) December 1, 2008	

DD FORM 1921-1, (FRONT), OCT 2003

SECURITY CLASSIFICATION

6/2/2006

Module 1 Validation

5-10 19

SECURITY CLASSIFICATION

FUNCTIONAL COST-HOUR AND PROGRESS CURVE REPORT

Form Approved
OMB No. 0704-
0188

The public reporting burden for this collection of information is estimated to average 45 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions reducing the burden to Department of Defense, Washington Headquarters Service, Directorate for Information Operations and Reports (0704-0188), 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.

PLEASE DO NOT RETURN YOUR FORM TO THIS ADDRESS

★ Units for dollars and hours must be identified. Data field should specify units, e.g., thousands of dollars.

1a. PROGRAM
Integrated Airborne Electronic Warfare Sensor Suite (IAEWSS)

1b. APP

3. FY FUNDED

4a. CONTRACTOR TYPE



PRIME/ASSOCIATE



SUBCONTRACTOR



SUBCONTRACT (Estimate by Reporting Contractor)

5. DOLLARS IN

6. HOURS IN

Northrop Grumman

1090

TRACTOR (Estimated by Reporting Contractor)

8. SUBCONTRACT NO.

★ Reporting Element names must correspond to the approved CSDR Plan and match the corresponding element on DD 1921.

13. REPORTING ELEMENT

NG FPA HW

DATA ELEMENTS

ENGINEERING

1. DIRECT LABOR HOURS
2. DIRECT LABOR DOLLARS
3. OVERHEAD
4. MATERIAL
5. OTHER DIRECT CHARGES (Specify)
6. TOTAL ENGINEERING DOLLARS

TOOLING

7. DIRECT LABOR HOURS
8. DIRECT LABOR DOLLARS
9. OVERHEAD
10. MATERIAL AND PURCHASED TOOLS
11. OTHER DIRECT CHARGES (Specify)

10. TYPE ACTION



CONTRACT NO.

F04701-04-C-3339



RFP NO.



PROGRAM ESTIMATE

★ Quantity Data field must be entered.

PART I. FUNCTIONAL

14. COST TYPE

☐ RECURRING☐ NONRECURRING☐ TOTAL

15. QUANTITY

TO DATE

AT COMPLETION

16. APPROPRIATION

☐ RDT&E☒ PROCUREMENT

REPORTING CONTRACTOR

SUBCONTRACT OR OUTSIDE
PRODUCTION AND SERVICES

TOTAL

TO DATE
AAT COMPLETION
BAT COMPLETION
F

★ Cost Type Data field must be entered. The user needs to clearly understand the data presented and model the costs appropriately.

Module 11: Validation

20

12. WBS ELEMENT CODE	PART I. FUNCT	
	14. COST TYPE	15. QUANTITY
	<input type="checkbox"/> RECURRING	TO DATE
13. REPORTING ELEMENT	<input type="checkbox"/> NONRECURRING	AT COMPLETION
	<input type="checkbox"/> TOTAL	

Resource data fields (hours and dollars) must have numeric entries. Enter zero as appropriate rather than leaving cells blank.

★ Tooling hours and dollars must be reported. Highly unlikely that NO Tooling effort required. Contractor is encouraged to estimate Tooling resources if not discretely captured (and provide note in Remarks section).

10. TOTAL ENGINEERING DOLLARS	\$304.2	\$622.4							
TOOLING									
7. DIRECT LABOR HOURS									
8. DIRECT LABOR DOLLARS									
9. OVERHEAD									
10. MATERIAL AND PURCHASED TOOLS									
11. OTHER DIRECT CHARGES (Specify)									
12. TOTAL TOOLING DOLLARS									
MANAGEMENT									
13. DIRECT LABOR HOURS									
14. DIRECT LABOR DOLLARS	\$53.5	\$48.7					\$53.5	\$48.7	
15. OVERHEAD	\$69.6	\$63.3					\$69.6	\$63.3	
16. OTHER DIRECT CHARGES (Specify)	\$1.3	\$2.2					\$1.3	\$2.2	
17. TOTAL QUALITY CONTROL DOLLARS	\$124.4	\$114.2					\$124.4	\$114.2	
MANUFACTURING/QUALITY CONTROL									
18. DIRECT LABOR HOURS									
19. DIRECT LABOR DOLLARS									
20. OVERHEAD									
21. MATERIALS AND PURCHASED PARTS									
22. OTHER DIRECT CHARGES (Specify)									
23. TOTAL MANUFACTURING DOLLARS	\$258	\$460	\$151	\$282			\$410	\$742	
OTHER COSTS									
24. PURCHASED EQUIPMENT	\$42.5	\$73.8					\$42.5	\$73.8	
25. MATERIAL OVERHEAD	\$17.7	\$30.8					\$17.7	\$30.8	
26. OTHER COSTS NOT SHOWN ELSEWHERE (Specify)	\$0.0	\$0.0					\$0.0	\$0.0	
SUMMARY									
27. TOTAL COST (Direct and Overhead)	\$827.2	\$1,301.6	\$151.2	\$281.9			\$978.5	\$1,583.5	

★ Modification to the forms is not allowed.

Security Classification left blank.

29a. NAME (Last, First) J.J. Price	29b. ORGANIZATION Government Procurement Programs	29c. TELEPHONE NO. (Include Area Code) (410) 555-1234
29d. E-MAIL ADDRESS jprice@NGGSP.com	29e. FAX NO. (Include Area Code) (410) 555-1231	29f. SIGNATURE J.J. Price
		29g. DATE SIGNED (MM/DD/YY) December 1, 2008

6/2/2006

DD FORM 1921-1, (FRONT), OCT 2003

Module 11: Validation

SECURITY CLASSIFICATION

Frequent DD Form 1921-1 (Front) Errors Summary

- ★ 1. Reporting Element names must correspond to the CCDR Plan.
- ★ 2. Units for dollars and hours must be identified.
- ★ 3. Cost Type (Recurring/Nonrecurring/Total) must be identified.
- 4. Resource data fields (hours and dollars) must have numeric entries.
- 5. Tooling hours and dollars must be reported.
 - ★ The contractor did not break out costs into the required Functional Categories.
- 6. Logic error in reporting costs to date being greater than cost at completion.
 - ★ The contractor reported total cost to date and cost at completion incorrectly.
- 7. Provide security classification on each form.
- 8. Modification of the forms is not allowed.
- 9. Total Cost summary data (Row 27) displayed in Total (columns E and F) should match entries appearing on DD 1921.
- ★ 10. Block 28, Remarks, should be used as needed.
- 11. Labor hours must be entered if labor costs are incurred.
- ★ 12. No Functional Cost-Hour (Form 1921-1 Part 1) report was submitted as required.
- ★ 13. Quantities reported on DD Form 1921 are not consistent with quantities reported on DD Form 1921-1.
- ★ 14. Omitted or incorrectly reported the total quantity of units procured to date or the total quantity of units at completion
- ★ 15. Cascading errors in parent-child cost-relationship

DD 1921-1 (Back) Progress Curve Report

- Prime Contractor
 - Focal Plane Array used as one example reporting element

UNCLASSIFIED

SECURITY CLASSIFICATION

FUNCTIONAL COST-HOUR AND PROGRESS CURVE REPORT

PART II. PROGRESS CURVE REPORT

1. WBS ELEMENT CODE 1.1.4.	2. UNITS/LOTS COMPLETED (Specify) <input type="checkbox"/> UNIT TOTAL OR <input type="checkbox"/> UNIT AVERAGE	<input type="checkbox"/> LOT TOTAL OR <input type="checkbox"/> LOT AVERAGE
2. REPORTING ELEMENT FOCAL PLANE ARRAY		

★ Block 3, Unit / Lot identification, left blank.

	UNITS/LOTS		WORK-IN-PROCESS (WIP) B	TO COMPLETE C
	3	4		
1. MODEL AND SERIES				
2. FIRST UNIT OF LOT/WIP UNITS				
3. LAST UNIT OF LOT				
4. CONCURRENT UNITS/LOTS				
CHARACTERISTICS				
5.a				
5.b				
5.c				
PRIME CONTRACTOR				
6. DIRECT QUALITY CONTROL LABOR HOURS			0.6	
7. DIRECT MANUFACTURING LABOR HOURS			5.3	
8. TOTAL DIRECT LABOR HOURS			5.9	
9. DIRECT QUALITY CONTROL LABOR DOLLARS			\$13.9	
10. DIRECT MANUFACTURING LABOR DOLLARS			\$105.5	
11. TOTAL DIRECT LABOR DOLLARS			\$119.4	
			\$49.4	
			\$41.0	
			\$209.8	
			0.0	

Block 5, Characteristics, field left blank. Include specific characteristics (e.g., weight, range, and speed) based on the approved CCDD Plan. The CWIPT is responsible for identifying the characteristics. Airframe weight is a mandatory requirement for aircraft contracts.

★ Lot/Unit data should be reported, and not merely pooled in Work-In-Process. Report appropriate data for each unit or lot completed even if the DoD contracting component has not yet accepted the item.

Use Remarks section for additional notes on reporting element quantity (equivalent unit basis), costs and hours (if estimated), characteristics, or other information useful in interpretation and use of data.

6/2/2016

29. TOTAL DIRECT DIRECT LABOR DOLLARS	
30. RAW MATERIALS AND PURCHASED PARTS	
31. PURCHASED EQUIPMENT	
32. TOTAL DIRECT DOLLARS	
33. % SUBCONTRACT OR OUTSIDE PRODUCTION AND SERVICES	
34. REMARKS	

Frequent DD Form1921-1(Back) Errors Summary

- ★ 1. No Progress Curve (Form 1921-1 Part 2) Report was submitted as required.
- ★ 2. The contractor did not check the box indicating that the data is unit per lot totals or averages.
- ★ 3. Lot/Unit data not reported.
- 4. Unused Remarks section.
 - Use Remarks section for additional notes on reporting element quantity (equivalent unit basis), costs and hours (if estimated), characteristics, or other information useful in interpretation and use of data.
- 5. Characteristics field left blank or filled out incorrectly.

DCAA

- Evaluate the effectiveness of the contractor's policies, procedures, and practices to produce data compatible with CCDR objectives at least once a year.
- DCAA has developed a CCDR audit program to assist DCAA field offices in performing CCDR audits. Verify contractor's --
 - reported incurred to date costs, hours, and unit or lot cost to the contractor's accounting system
 - classification of cost/hours as recurring or nonrecurring
 - classification of costs/hours by functional area
 - estimates of unit or lot cost/hours

REF: Section 11-400 of Defense Contract Audit Agency (DCAA) Manual 7640.1M, "DCAA Contract Audit Manual," Volume 2 (reference (f)),

CCDR Validation Summary

- Currently, DCARC is rejecting ~40% of initial cost report submissions
- Many of the errors are easily avoided by submitting *completed*, accurate cost reports
 - refer to the DID for data field descriptions when in doubt
- Consider the user of the information

Practical Exercise

60 Minutes

- *Using the materials provided, complete the Cost Report Validation exercise*

Questions / Discussion / Review

- **At this point, you should:**
 - Understand the purpose of CSDR cost report validation;
 - Be familiar with common cost reporting errors and how to avoid them;
 - Be able to validate CSDR cost reports.

For more information...

- **Read:**

- CSDR Reference Book

- *DoD 5000.4-M-1, Cost and Software Data Reporting (CSDR) Manual*
 - *Chapter 2: Contractor Cost Data Reporting Requirements*
 - *DD Form 1921 DID (DI-FNCL-81565A)*
 - *DD Form 1921-1 DID (DI-FNCL-81566A)*